

COVID-19: MARKET PULSE

Stay up-to-date with latest updates on the effect of COVID-19 on real estate markets across Asia Pacific.



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CHINA



Restrictions & Government Support

- > Relaxing movement controls.

Landlord's response to waiver request

- > Eligible SOE landlords have provided rental relief.
- > No market wide rental relief from private landlords.
- > Handful of cases of individual small landlords providing relief to their tenants. Not the norm.

AUSTRALIA



Restrictions & Government Support

- > All non-essential services closed.
- > New regulations announced for SME leases.
- > Government released a code of conduct for dealings between tenants and landlords.

Landlord's response to waiver request

- > Relief measures seen in retail sector.
- > No specific measures targeting office tenants.
- > Rental waiver requests are on case by case basis.

INDIA



Restrictions & Government Support

- > Complete lockdown until 3rd May.
- > Relief announced for STPI business parks owned by the government.

Landlord's response to waiver request

- > No rental relief from portfolio landlords.
- > Some individual landlords in strata title buildings have provided relief. Not the market norm.

Other Comments

- > Government has decided to open up small scale industries and agricultural activities.
- > Bill being considered to allow IT and ITC companies to allow 20% of their workforce to be operational.

HONG KONG



Restrictions & Government Support

- > Social distancing rules being extended until 7th May.
- > Government relief package for SMEs.

Landlord's response to waiver request

- > Retail tenants have received some rental relief.
- > No signs of major portfolio landlords starting to provide relief.
- > Handful of cases of small individual landlords providing rental relief to their tenants.
- > Government owned landlords have provided some rental relief to their tenants.

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SINGAPORE



High

Restrictions & Government Support

- > Closure of all non-essential services from 7th April to 4th May.
- > Government announced property tax rebate landlords and a bill to provide relief to organisations having difficulties meeting contractual obligations.

Landlord's response to waiver request

- > Landlords have provided rental relief to retail tenants due to government closures earlier.
- > Major landlords have not agreed to provide rent relief to office tenants up until now.
- > Discussions are ongoing about various ways of releasing cash and relief but no conclusion has been reached as yet.

Other comments

- > Landlords are working to pass on the tax relief to tenants. Most major landlords have already contacted their tenants about this.

JAPAN



Medium

Restrictions & Government Support

- > All non-essential services closed.
- > Government released a code of conduct for dealings between tenants and landlords.

Landlord's response to waiver request

- > Relief measures seen in retail sector.
- > No specific measures targeting office tenants.
- > Rental waiver requests are on case by case basis.

KOREA



Medium

Restrictions & Government Support

- > No lockdown in place.
- > No specific policy measures aimed at real estate sector.

Landlord's response to waiver request

- > Not many enquiry from tenants about rent free or waivers.
- > Some small and medium size organisations in hard-hit sectors have approached landlords for relief that are being considered on case by case basis.

TAIWAN



Medium

Restrictions & Government Support

- > Work from home advisory.
- > No policy support from government.

Landlord's response to waiver request

- > Government owned landlords have provided 1-2 months discounted rental for their tenants.
- > Apart from this, all other landlords have not acceded to any requests for rental relief.

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PHILIPPINES



Restrictions & Government Support

- > Metro Manila in lockdown until end of April.
- > Suspension of rental payments for retail sector.

Landlord's response to waiver request

- > No rental relief for non-retail tenants by major landlords.
- > Small and medium size organisations with severe cashflow issues have managed to get rental deferments on a case by case basis.

Other comments

- > Despite the lockdown, Business Processing Outsourcing (BPO) sector tenants can continue to operate.

MALAYSIA



Restrictions & Government Support

- > Strict "Movement Control Order" in place until end of April.
- > Landlords will receive a tax rebate if they provide 30% or more rental relief to tenants.
- > 6 months rent free to tenants in federal owned buildings.

Landlord's response to waiver request

- > No rental relief from major private landlords.
- > Small individual landlords have provided smaller relief to some tenants.

Other comments

- > If an employee has a letter from their company, they can commute to office when required.
- > Applicability of force majeure is under debate in the market.

INDONESIA



Restrictions & Government Support

- > Strict movement control in place starting April 13th.
- > All non-essential services stopped.

Landlord's response to waiver request

- > Only retail tenants have been successful at obtaining rental relief.

Other comments

- > Government declared COVID 19 impact to be a national disaster.
- > This has opened the doors for some tenants to consider invoking force majeure clauses.

THAILAND



Restrictions & Government Support

- > Night-time curfew from 10 pm to 4 am.

Landlord's response to waiver request

- > Several cases of rental relief in retail industry.
- > Office tenants in hard hit industries. Eg. tourism and airline.
- > These requests are being considered on case by case basis – with a focus on small to medium size organisations.
- > No rent relief signs from major landlords yet.

VIETNAM



Restrictions & Government Support

- > National wide quarantine in place.

Landlord's response to waiver request

- > Rental reliefs seen in retail sector.
- > Some tenants in small to medium size local companies in tourism/airline industry have successfully obtained rental deferment from landlords.
- > We do not see many requests for rental relief for MNC tenants.